

NOTICE TO JOINT LEGISLATIVE COMMITTEE ON LOCAL GOVERNMENT

April 2, 2019

Joint Legislative Committee on Local
Government
16 West Jones Street
Raleigh, North Carolina 27601
Attention: Committee Chairs and Assistant

Fiscal Research Division
Legislative Office Building
300 North Salisbury Street, Suite 619
Raleigh, North Carolina 27603-5925
Attention: Director

North Carolina Local Government Commission
3200 Atlantic Avenue
Longleaf Building
Raleigh, North Carolina 27604
Attention: Secretary

***City of Durham, North Carolina
Utility System Revenue Bond Anticipation Note, Series 2019***

In accordance with N.C. Gen. Stat. §120-157.2(a) (the "*Statute*"), the City of Durham, North Carolina (the "*City*") hereby notifies you of its intent to issue its Utility System Revenue Bond Anticipation Note, Series 2019 (the "*Note*") pursuant to Article 5 of Section 159 of the North Carolina General Statutes, as amended, in an amount not to exceed \$263,000,000, the proceeds of which will be used to pay (1) the costs of extensions, additions, and capital improvements to, or the acquisition, renewal or replacement of capital assets of, or purchasing and installing new equipment for the City's water and wastewater system in accordance with the City's adopted capital improvement plan for the fiscal years ending June 30, 2019 through June 30, 2024 (the "*Projects*") and (2) the costs of issuing the Note.

The Note will be issued pursuant to an amended and restated bond order and a series resolution relating to the Note. The Note will be a special obligation of the City secured by and payable from the net revenues of the City's Utility System. The principal of and interest on the Note will not be payable from the general funds of the City. The City expects to refinance the Note with long-term fixed rate bonds in approximately two to three years.

The City expects that the Commission will consider for approval the City's proposal to issue the Note to finance the proposed Projects at the Commission's meeting scheduled for June 4, 2019 or such later meeting as the City and the Commission may determine.

If you would like any additional information, please contact David Boyd at (919) 560-4455.

CITY OF DURHAM, NORTH CAROLINA

By: _____


David Boyd
Finance Director